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# Republican Policy Committee

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## **The Work Opportunity Act of 1995**

### **Leadership Bill Will End Welfare As We Know It**

- **Ends the 60-year status of welfare as an entitlement.**
  - ▶ Welfare no longer will be a way of life; people no longer will qualify automatically for a welfare check.
  - ▶ People no longer will be able to receive federal cash benefits just because they choose not to work.
- **Imposes a five-year lifetime limit on receiving welfare benefits.**
  - ▶ Individuals may move on and off the welfare rolls, but after a cumulative total of five years they become ineligible for welfare benefits.
- **Requires welfare recipients to work for their benefits as soon as the state determines they are "work ready," or within two years of entering the rolls, whichever is earlier.**
  - ▶ Half of the adult welfare recipients in one-parent households must work by FY 2000; higher work participation rates (90 percent, beginning in FY 1999) are imposed on two-parent welfare households.
- **Reduces, or terminates, benefits for recipients who refuse to work; assures that "work" means work.**
  - ▶ If a recipient fails to show up for work, then a pro rata (or more, at the option of the state) reduction in benefits is imposed; states may opt to terminate benefits.
  - ▶ A welfare recipient whose cash assistance is reduced for failing to work no longer will get an offsetting increase in food stamp benefits or housing assistance – no more "gaming" the welfare system.
  - ▶ Job search and vocational education can no longer be a refuge from work.

- **Strengthens families and requires personal responsibility.**
  - ▶ States can end the current practice of giving more cash to mothers who have more children on welfare.
  - ▶ Teenage mothers who have children out-of-wedlock must stay in school and live under adult supervision in order to receive benefits.
- **Consolidates dozens of welfare-related programs into three new block grants to the states. In addition, each state may opt to receive federal food stamp money as a block grant.**
  - ▶ Washington bureaucrats are frozen out of the process by the direct delivery of welfare dollars to the states from the Treasury.
  - ▶ States can target the resources where they are needed instead of wasting funds on bureaucratic overhead and duplicative, failed programs imposed by the federal government.
- **Requires a dramatic reduction in the federal welfare bureaucracy that administers these welfare programs.**
- **Repeals hundreds of federal rules and regulations that only create jobs for more bureaucrats.**
- **Denies cash benefits (FY 1995 standard benefit is \$458 per month) in the form of Supplemental Security Insurance (SSI) to people who claim drug addiction or alcoholism as disabilities and closes a loophole that allows some children who are not severely disabled to qualify for disability benefits.**
- **Saves taxpayers \$70 billion over seven years, according to Congressional Budget Office projections.**

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